## Transportation Communications Union/IAM

International Association of Machinists and Aerospace Workers





June 12th, 2017

Mr. Daniel Watson Deputy Assistant United States Trade Representative for North America Office of The United States Trade Representative 600 17th St NW Washington, DC 20006

Re: Negotiating Objectives Regarding Modernization of the North American Free

Trade Agreement with Canada and Mexico [USTR Docket No. 2017-10603]

Dear Mr. Watson:

On behalf of the Transportation Communications Union/IAM, I write to comment on the Administration's notice to renegotiate the North American Free Trade Agreement (NAFTA). TCU/IAM represents 45,000 railroad workers at Amtrak, commuter, and all Class 1 railroads. Our members consist mostly of clerks and carmen, the latter of which is a trained and certified occupation charged with maintaining, repairing, and testing railcars across the country. Indeed, the safety of America's railroads relies heavily on the work performed by the thousands of carmen we represent.

As the Administration begins to renegotiate NAFTA, we want to call attention to an issue that the railroads have been pushing for years: the maintenance and testing of inbound trains from Mexico. For obvious cost reasons, railroads have long pushed for waivers and policy changes to make it easier for them to perform work in Mexico rather than the U.S. And for obvious safety-related reasons the Federal Railroad Administration (FRA) has repeatedly denied their requests in full. We ask that you continue the FRA's sensible approach to safety, and respect the agency's ongoing efforts to harmonize current regulations and standards with their counterparts in the Mexican government's Secretaría de Comunicaciones y Transportes (SCT).

The Rail Safety Improvement Act (RSIA) of 2008<sup>i</sup> has already addressed the process by which mechanical and brake safety inspections can be harmonized with Mexico. The law calls for standards to equal that of the U.S., that they are performed by employees trained similar to U.S. employees, and that the FRA must be permitted to inspect for the purpose of compliance. These commonsense safeguards have not been maintained or adhered to thus far, but that doesn't mean the Administration should weaken these safeguards simply to benefit the railroads' bottom lines.

## **GAO: Inbound Trains Often Do Not Meet Safety Standards**

The Government Accountability Office (GAO) recently studied cross-border rail traffic and found that inbound trains from Mexico are often in a state of disrepair and/or lack certain safety equipment necessary to test, and therefore legally operate on America's rail network:

Despite FRA's efforts to expedite brake inspections along the southern border, inbound trains sometimes arrive from Mexico with missing or damaged equipment which can cause delays. According to BLET and railroad representatives in Laredo, trains from Mexico often arrive in the United States with missing "end-of-train devices" that are required for the abbreviated brake test, which can cause delays up to an hour as train crews locate a replacement device. In addition...it is common for other train equipment to be tampered with a situation that requires the train to be stopped until repairs can be completed. (GAO, 2016, p. 16).<sup>ii</sup>

As the above paragraph alludes, the "abbreviated brake tests" mentioned stem from waivers that have already been granted by the FRA – signifying an ongoing effort by federal officials to help railroads move freight more efficiently, while simultaneously lessening the impact on border communities. Instead of a full brake inspection - as required by statute - railroads have been granted permission to perform a quick check of the air brake system, and a brief visual inspection, at nearly all ports-of-entry on the U.S.-Mexico border.

## Don't Let Railroads Send Jobs to Mexico

President Trump won the praise of many by standing up for American workers. It was one of his main campaign promises, and something that resonated greatly with our members. Since the election, President Trump has laudably called out several American companies for their plans to ship jobs overseas (see public statements on Carrier, Ford, Rexnord, GM). Unfortunately, some companies have outright ignored the President's calls for keeping jobs in America – often briefly paying lip service just to offshore the jobs a month later.

But unlike those situations where the President could not act unilaterally, he can here. By preventing carmen jobs from being sent to Mexico, the President can both guarantee good jobs in America and ensure the safety of our nation's railroads.

Thank you for your attention to this matter, and good luck in your negotiations.

Sincerely,

Robert A. Scardelletti

National President

<sup>&</sup>lt;sup>1</sup> Rail Safety Improvement Act of 2008, 49 USC § 20107 notes, "Safety Inspections in Mexico" (2008)

ii U.S. Government Accountability Office. (2016, January). Ongoing DOT Efforts Could Help Address Impacts of International Freight Rail. Publication No. GAO-16-274). Retrieved from: <a href="http://www.gao.gov/assets/680/674851.pdf">http://www.gao.gov/assets/680/674851.pdf</a>